

No. 46618

**Israel
and
Guatemala**

Agreement between the Government of the State of Israel and the Government of the Republic of Guatemala for the reciprocal promotion and protection of investments. Jerusalem, 7 November 2006

Entry into force: *15 January 2009 by notification, in accordance with article 14*

Authentic texts: *English, Hebrew and Spanish*

Registration with the Secretariat of the United Nations: *Israel, 9 October 2009*

**Israël
et
Guatemala**

Accord entre le Gouvernement de l'État d'Israël et le Gouvernement de la République du Guatemala relatif à la promotion et à la protection réciproques des investissements. Jérusalem, 7 novembre 2006

Entrée en vigueur : *15 janvier 2009 par notification, conformément à l'article 14*

Textes authentiques : *anglais, hébreu et espagnol*

Enregistrement auprès du Secrétariat des Nations Unies : *Israël, 9 octobre 2009*

[ENGLISH TEXT – TEXTE ANGLAIS]

AGREEMENT

BETWEEN

THE GOVERNMENT OF THE STATE OF

ISRAEL

AND

THE GOVERNMENT OF THE REPUBLIC OF

GUATEMALA

FOR THE RECIPROCAL PROMOTION AND

PROTECTION OF INVESTMENTS

The Government of the State of Israel and the Government of the Republic of Guatemala, (hereinafter the "Contracting Parties").

DESIRING to intensify economic cooperation to the mutual benefit of both countries;

INTENDING to create favorable conditions for greater investments by investors of either Contracting Party in the territory of the other Contracting Party; and

RECOGNIZING that the reciprocal promotion and protection of investments on the basis of the present Agreement will be conducive to the stimulation of individual business initiative and will increase prosperity in both States,

HAVE AGREED as follows:

ARTICLE 1 **Definitions**

1. For the purposes of the present Agreement:

- (a) "Investments" shall mean any kind of assets, implemented in accordance with the legislation of the Contracting Party in whose territory the investment is made including, but not limited to:
 - (1) movable and immovable property, as well as any other rights *in rem*, in respect of every kind of asset;
 - (2) rights derived from stocks, shares, bonds, debentures and other kinds of interests in legal entities;
 - (3) claims to money, goodwill and other assets and any claim having an economic value;
 - (4) rights in the field of intellectual property, including, *inter alia*, patents, trade marks, geographical indications, industrial designs, technical processes, copyrights and related rights, undisclosed business information, trade secrets and know-how, topographies of integrated circuits and plant-breeders rights;

- (5) business concessions conferred by legislation or under contract, including concessions to search for, cultivate, extract or exploit natural resources.
- (b) “Host Contracting Party” shall mean the Contracting Party in whose territory the investment is made, and “Home Contracting Party” shall mean, in relation to that investment, the other Contracting Party.
- (c) “Returns” shall mean the amount yielded by an investment including, but not limited to: dividends, profits, sums received from the total or partial liquidation of an investment, interest, capital gains, royalties or fees.
- (d) “Investor” shall mean:
 - (1) (i) with respect to the State of Israel: a natural person who is a national or permanent resident of the State of Israel who is not also a national of Republic of Guatemala;
 - (ii) with respect to Republic of Guatemala: a natural person who is a national of Republic of Guatemala who is not also a national or permanent resident of the State of Israel; or
 - (2) a legal entity, including a corporation, a firm, an association or a partnership:
 - (i) that was incorporated, constituted or otherwise duly organized under the legislation of the Home Contracting Party; or
 - (ii) that is controlled, directly or indirectly, by persons who are nationals or permanent residents of the Home Contracting Party, and it fulfills one of the following conditions:
 - a) its registered office, center of management, or practical management is located in the territory of either Contracting Party,
 - b) a substantial part of its economic activity is located in the territory of either Contracting Party;

- c) it was incorporated, constituted or otherwise duly organized under the legislation of the Host Contracting Party.
 - (e) The term “territory” shall mean:
 - (1) with respect to the State of Israel: the territory of the State of Israel including the territorial sea, as well as the continental shelf and the exclusive economic zone over which the State of Israel exercises sovereign rights or jurisdiction in conformity with international law.
 - (2) With respect to the Republic of Guatemala: the land territory, maritime and air space over which the Republic of Guatemala exercises sovereignty, including inland waters, the exclusive economic zone and the continental shelf within which exercises sovereign rights and jurisdiction in accordance with international law and its domestic law.
 - (f) “Freely usable currency” shall mean any currency that the International Monetary Fund determines, from time to time, as a freely usable currency in accordance with the Articles of the Agreement of the International Monetary Fund and Amendments thereto.
 - (g) “legislation” of a Contracting Party shall mean the laws and regulations of that Contracting Party and the right to exercise the administrative powers conferred by those laws and regulations.
2. The provisions of this Agreement relating to investments shall apply to the reinvestment of the returns of an investment, which shall be granted the same treatment granted to the original investment, if the reinvestment is effected in accordance with the legislation of the Host Contracting Party. A change in the form of the investment or a change in the form of the reinvestment shall not affect their character as investments within the meaning of this Agreement if the change is effected in accordance with the legislation of the Host Contracting Party.